

PLAIN TALKS

December
1988

Season's Greetings

A time
for caring

A time
for giving

A time
for saving



MAIL BOX

THE COVER

Along the Gulf Coast, Santa Claus rests up on Christmas Day with a cool, refreshing snow cone as he lounges by a swimming pool.

Christmas in the deep south rarely fits the traditional snowflakes-and-sleighbells image, but the Yuletide spirit is just as strong.

This month's issue of *Plain Talks* reveals how some employees prepare for the season in an article beginning on page 10.

The cover photograph was shot by Susan Gilley, who found Kim McMurray of Public Affairs a right jolly Saint Nick.

Jim Moss
GSU/Baton Rouge

Dear Mr. Moss,

I would like to acknowledge one of your employee's work with the festivals sponsored by the Arts and Humanities Council of Greater Baton Rouge, and especially the most recent festival, FestForAll '83.

Michael Bordelon has worked with us as a volunteer since last year's FestForAll and has provided the Council with his management expertise and the physical operations of five festivals since that time.

FestForAll '83 was the largest undertaking of the Council in its ten-year history and relied heavily upon Mike's planning and attention to detail. Without his valuable assistance, and that of other volunteers under his direction, the Council would not be able to produce these festivals.

FestForAll brings in over 170 artists and craftsmen from around the country, over 1,300 local volunteer performers and hundreds of community volunteers to present an event in

the community that is free to the public.

We appreciate Mike's assistance and the fact that Gulf States Utilities encourages its employees to participate in community projects.

Sincerely,
Richard A. Sabino
Program and Festivals Director

Arden Loughmiller
Beaumont, Texas

Dear Mr. Loughmiller:

Gulf States Utilities and its employees have always played an active role in the improvement of the Beaumont community. However, from time to time, certain GSU individuals step far beyond normal efforts.

Such is the case of Ronnie Hale, supervisor-consumer services. During the past year, Ronnie has been the leading producer during our membership campaigns. This is a significant accomplishment in itself. In addition, he voluntarily collected thousands of dollars in past-due investments by phoning, presenting himself in person and often reselling members on the benefits of the chamber. His task has been a tedious and thankless one, but he never appeared discouraged.

Not only do we deeply appreciate his help, but we are extremely proud to have a person of his caliber representing the Beaumont Chamber of Commerce.

Our thanks to you and to Gulf States Utilities for making it possible for Ronnie to contribute so much towards the effort to improve the quality of life in Beaumont.

Sincerely,
Victor J. Rogers
Chairman of the Board
Beaumont Chamber of Commerce

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Employees who change residences or offices should fill out company mailing-address-change forms (GSU0012-00-81) and return them to the mailroom in the Edison Plaza. GSU publications, departmental mailings and other company information are not automatically forwarded; addresses must be corrected when employees move.

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Richard NeSmith

NeSmith returns to GSU post

Richard A. NeSmith, control operating foreman for River

Bend near St. Francisville, returned to GSU in late summer after spending more than a year on loan to the Institute of Nuclear Power Operations (INPO) in Atlanta.

INPO is an independent, non-profit organization dedicated to the safe construction and operation of the nation's nuclear power plants. The organization is supported by all U.S. utilities licensed to build or operate nuclear power plants, as well as by a number of firms in the commercial nuclear power business.

Many of these organizations participate in INPO's Loaned Employee Program, lending personnel to the institute for periods of one to two years.

NeSmith joined the program in February 1982, then spent the

following months helping develop guidelines for plant training programs. NeSmith helped develop documents that detail the skills and knowledge needed by nuclear plant personnel. The information is used by nuclear utilities to develop plant training programs.

NeSmith says his work will help save utilities "a lot of legwork" in developing training programs. The Gulf Stater, who joined the company in June 1980, also lauded the program for enabling him to gain "new communication skills and abilities that directly apply to my job at River Bend."

Other GSU employees who have spent short periods with INPO are Lloyd Ballard, William Cummings and John Dunkelberg.



Top money contributors in the Baton Rouge Division March of Dimes Walk-a-thon were (from left) Lester Clouatre, Adelaide Bankston and Gerald Duplechin.

Baton Rouge Division wins city's top award in walk-a-thon

GSU's Baton Rouge Division was the winner of the city of Baton Rouge's March of Dimes Walk-a-thon competition. The company division qualified by being the corporation which brought in the most pledge money — over \$15,000 — in the April event.

At a recognition dinner held later in the year under joint

sponsorship of Blue Cross of Louisiana and the March of Dimes, the company was awarded a plaque.

Gerald Duplechin, repairman-1st class, was also recognized during the banquet as the individual who brought in the most pledges. As a team captain, Duplechin brought in \$784. Other leading team captains were Debra Adelaide Bankston, \$707.70; Thomas L. Clouatre, \$687; Mary Denise Darensbourg, \$620.60; Kay Sharp, \$474; and Linda Sanchez, \$305.

Hereford joins arboretum board

Van Hereford, Baton Rouge Division accounting superintendent, has been named to the board of directors of the Laurens Henry Cohn Sr. Memorial Plant Arboretum, reports Dona Austin, *Plain Talks* correspondent.

Operated under the direction of the East Baton Rouge Parish

Recreation and Parks Commission, the arboretum exists to enhance the quality of life in the Greater Baton Rouge and Lower Mississippi Basin areas. It accomplishes this goal by serving as an advocate for horticultural botany and landscape design, by furnishing a location for the preservation of plants, by providing a location for rare adaptable plants for the basin

and by supplying educational programs, explains Austin. Further, the arboretum provides a center for plant research, offers a subdued recreational retreat and furnishes support to organizations with similar goals and interests.

Hereford has been with GSU for almost 29 years.

Safety points

Money in your wallet

"I save mine for Christmas; nowadays, every little bit helps."

"Mine just collected in my desk drawer — until I realized they're worth money."

"One year when we got lots of bonus points, I stockpiled mine until I saved enough for a surprise for my wife."

How employees use safety points may vary but Gulf States' individual safety incentive program benefits those who work accident-free in three important ways — the continued good health of employees, an overall safe workplace and safety achievement certificates.

Safety certificates are redeemable at any Wilson's Jewelry Catalog Showroom in the GSU service area. Each safety point is worth one cent towards a gift of your choice. If the total cost of the item you select is more than the number of safety points accumulated, you can pay the difference in cash.

Certificates come in two values to distinguish high risk exposure jobs from lower risk exposure jobs. For example, GSUers whose work has them atop utility poles earn points at a higher rate than those who do office work. Certificates for the high exposure group are worth 200 points while those for the low exposure group are valued at 150 points.

The certificates are awarded on a monthly basis to all employees up to, and including, the level of director. Once an employee earns safety points, the points cannot be taken away. But, if an on-the-job accident occurs or a serious safety rule violation is detected, a penalty in the form of a suspension period results. Also,



someone causing an accident is placed on suspension. During the suspension period, those involved in the accident or safety rule violation are not eligible to receive their regular points or any bonus points. Employees wishing to know more about the rules can refer to the *Safety Methods and Procedures Manual*.

The length of the suspension period depends on the severity of the accident. If the suspension is due to a lost-time accident, the loss of points applies to all supervisors who are in the direct reporting line of the individual who had the accident.

The idea of teamwork in safety applies in other ways, too. For each month Gulf States stays below the company-wide goal of 5.5 accidents per million miles driven in company vehicles, a

bonus certificate worth 150 points is given to all eligible employees.

When a million manhours of work without a lost-time accident occurs, every eligible employee receives a second certificate in the amount of his or her regular award. This second certificate continues for each month no lost-time accidents occur.

Some employees receive special point certificates for their winning suggestions in the Employee Suggestion program.

Whatever the occasion for receiving points, it is always for a job well done. Safety of all employees is the prime concern of Gulf States. That makes accident control part of every job . . . and safety certificates are an added plus for doing the job properly.



Participants in a Baton Rouge Division Green Hat safety audit this summer included (from left) Pete Seymore, Jose Hamilton, Fred Eubanks, James Scott, John Gottschalk, Walter E. "Benny" Benefield and Larry Jolissaint.

Green Hat Program focuses on summertime safety

by Susan Gilley

Raymond Creel, Baton Rouge Division safety and health representative, picked up a hot weather safety idea during a Southeast Electric Exchange Safety Committee meeting in November 1982.

A Florida utility reported on its program for reducing summertime accidents. In the utility industry in the south, explains Creel, the weeks from Memorial Day weekend to the Labor Day holiday are traditionally the riskiest. He attributed that to increased activity due to weather and heat.

Dubbed the Green Hat Safety Program, the Florida program emphasized safety with on-the-job safety audits throughout the summer. After three successful years of steadily reducing accidents, the company eliminated the program for one year, only to

find a sharp increase in the number of mishaps. The utility has since resumed the program.

Creel brought the idea of establishing a similar program home to Jim Moss, division vice president, and to Mike Durham, manager-occupational health and safety in Beaumont.

Both men agreed to the concept and, with a few adaptations, the program was initiated in Louisiana Operations this summer, as Ted Meinscher, Lake Charles Division vice president, decided to try it, too.

The program focused on the months of May through August. Both divisions plan to offer the program next summer, with each division making a few refinements.

As in Florida, statistics indicate the program really works.

In the summer of 1983, Baton Rouge Division experienced two lost-time accidents, compared to five such accidents in 1982. Lake Charles Division, which had experienced two fatalities during the summer of 1982, had no lost-time accidents during the summer of 1983. However, Elbert Heard, division safety and health representative, suggests that a special emphasis program already in effect, including extra training and formation of some safety task forces, was the major contributor to the improved safety performance in his division.

Creel explains how the program operates, "A division management team goes out into the field, unannounced, wearing the distinctive green safety hats. They then work with the crew, conducting an item-by-item safety audit, using a



Raymond Creel, Baton Rouge Division safety and health representative, proposed the safety program.



Rickey Seals (left) and Fred Eubanks inspect gear during a Green Hat audit in Baton Rouge.

checklist developed by Jim McGrew, Western Division safety and health representative." Creel continues, "Afterwards, the entire crew meets with the visiting auditors to discuss possible safety problems and solutions."

One advantage of the program is that safety is removed from the routine and given special emphasis. According to Creel, "The program showed that our regular, routine safety audits in the Baton Rouge Division had gotten rather lax." Creel cites the improved condition of line trucks as one very visible means of measuring the success of the program. Not only are lights, horns and other gear in better condition, but the Baton Rouge Division's vehicle accident frequency dropped from 8.1 percent at the end of August 1982 to 4.2 at the end of August 1983.

The program encompasses all aspects of Louisiana Operations,

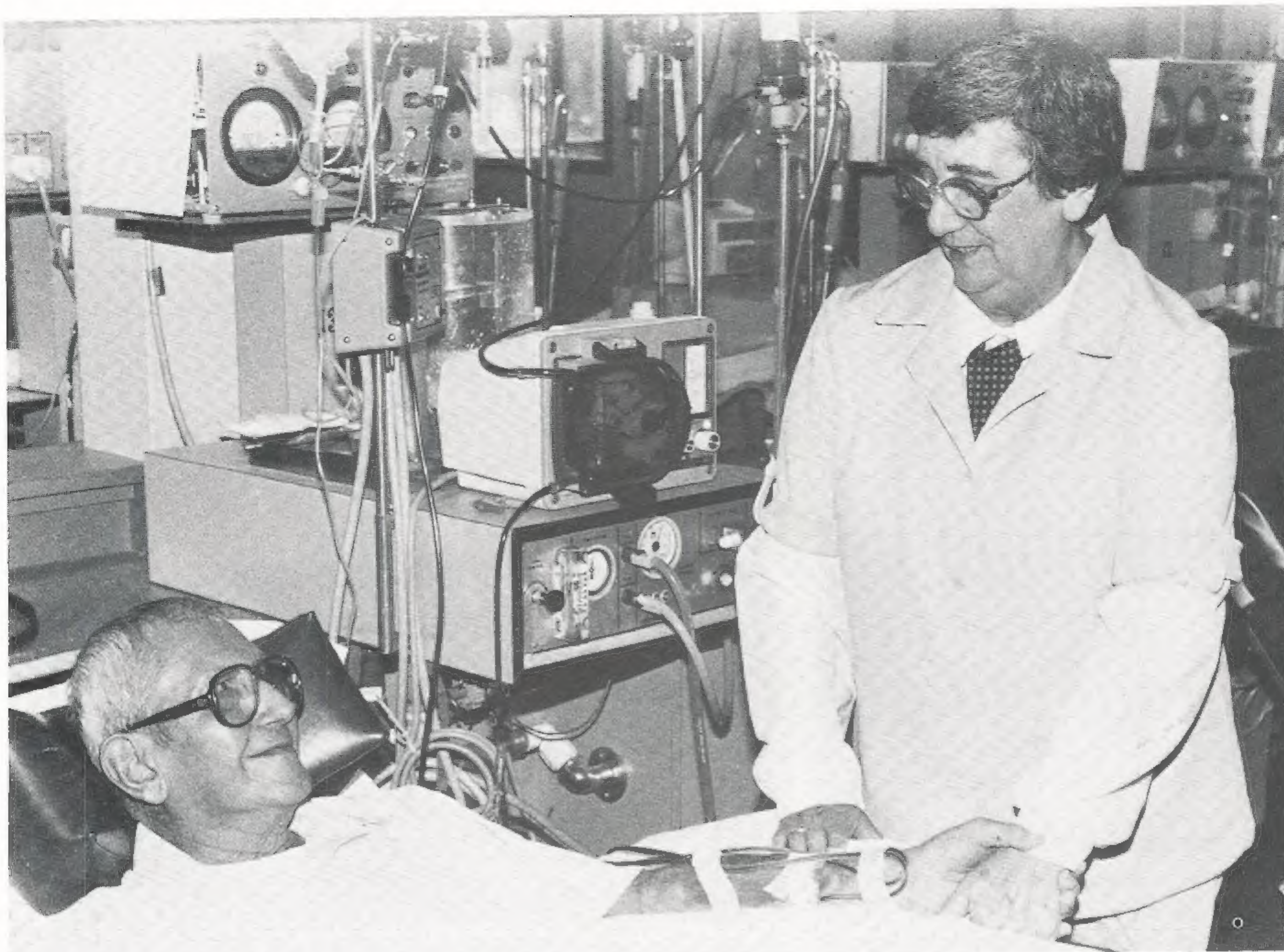
including meter reading, substation, line and office functions. Presently, a similar Green Hat program, featuring a slightly lighter shade of green hats, is being implemented at Louisiana Station under guidance of Sam Raney, safety and health representative-production.

Creel believes that the biggest proponents of the experimental program have been the employees who have participated. "The theme was to take safety into the field and to demonstrate by doing so that GSU believes in safety. Most people said they felt grateful that executives took the time to come out in the field."

In Lake Charles Division, reports Heard, "A lot of people wanted to continue the program year-round." In both divisions, however, it was decided to keep the Green Hat Program strictly as a special summertime emphasis on safety.

Pete Seymore, an assistant general line supervisor in Baton Rouge, is one man who believes in the value of the program. "Everybody I've talked to has said the Green Hat Program is a good one," he says. Nevertheless, Seymore says he hopes we will establish an innovative special-emphasis program for the cold winter months, too. Speaking from the standpoint of 29 years of experience with GSU, Seymore insists that Line Department work is "a different ballgame in the winter." For one thing, he points out, employees wear much bulkier clothing.

Seymore's proposal coincides with Creel's philosophy. "In safety," he explains, "you have to use new approaches constantly. We're still looking for other things that will help promote an awareness of safety."



Zeffie Ramos (standing) accompanies her husband, Joe, as he undergoes dialysis.

Customers, employees help others

by Mike Rodgers

Three times a week Joe Ramos of Beaumont rides to a clinic where he waits four hours as dialysis equipment cleans the impurities from his bloodstream and keeps him alive. For Ramos and his wife Zeffie, this is a familiar routine, a part of their lives since 1977. To complicate matters and compound their medical bills, Ramos lost his sight in both eyes and has had 10 serious operations. "For him to go blind was the biggest shock," says Mrs. Ramos.

The couple first heard about Project CARE from a Red Cross worker who suggested they might qualify for assistance in paying a utility bill. Shortly after she signed the necessary papers, Mrs. Ramos was informed that they did meet the qualifications. The Project CARE money paid their utility bill for August, the

hottest month of the year. "It paid \$100 of my \$114.57 bill and gave me a chance to pay other bills I hadn't been able to pay," says Mrs. Ramos. She adds, "I don't keep lights on when I don't need them, but air conditioning is a must. I'm disabled with arthritis myself. The Project CARE money was a big help."

Project CARE — Community Assistance Relating to Energy — was designed to help the Ramos family and others like them meet energy needs when faced with a critical financial situation.

Recipients can receive money twice a year. GSU's board of directors launched the program this year with a \$100,000 contribution from shareholders. By the end of September 1983, Gulf States customers and employees contributed an additional \$125,000. Some 61 percent

of GSU employees are participating in Project CARE. More than 2,700 people in Texas and Louisiana have received assistance.

Social service personnel in the two states administer the program for GSU and make all the decisions as to who qualifies. With the program well underway and progressing smoothly, Gulf States' role now is basically one of forwarding the money. Customers may contribute to Project CARE by adding \$1 to each monthly utility bill. The money is automatically sent to Project CARE. Amounts of more than \$1 should be sent by separate checks payable to Project CARE. Gulf States employees are invited to participate through one-time contributions or monthly payroll deductions.

ON THE MOVE

A

Adams, John M., Conroe, to consumer service representative-senior, Division Marketing and Consumer Services.

B

Batiste, Stanley, Lafayette, to lineman-1st class, Electric T&D.

Beavers, Brenda M., Baton Rouge, to lineman-3rd class, Electric T&D.

Bergeron, Gregory C., formerly of Willow Glen Station, to repairman-1st class class/nuclear, Plant Production, River Bend Station.

Blair, Barrett D., Vidor, to apprentice, Electric T&D.

Blanchard, John S., Willow Glen Station, to repairman-1st class, Plant Production.

Bodine, William B., formerly of Beaumont, to scheduling coordinator, River Bend Nuclear Group, River Bend Station.

Boyce, Richard B., Baton Rouge, to lineman-2nd class, Electric T&D.

Branaugh, Earnest R., Louisiana Station, to operator's helper, Plant Production.

Breaux, Dwayne M., Baton Rouge, to serviceman-1st class, Electric T&D.

Brooks, Gary W., Sabine Station, to repairman-1st class, Plant Production.

Bullard, Larry R., Baton Rouge, to serviceman-2nd class, Gas Department.

Burdette, Bobby J. Jr., Zachary, to lineman-1st class, Electric T&D.

Bush, Clarence E. Jr., River Bend Station, to switchboard operator, Plant Production.

C

Castello, Myra H., Nelson Coal Plant, to chemist, Plant Production.

Chapman, Stephen W., Denham Springs, to lineman-1st class, Electric T&D.

Clark, Christopher J., Lake Charles, to lineman-3rd class, Electric T&D.

Clark, Daniel R., Beaumont, to staff accountant I, Accounting Services.

Connelly, Donald J., Vidor, to lineman-4th class, Electric T&D.

Courville, Elie J., Nelson Station, to repairman-1st class, Plant Production.

Credeur, Jeffry, Lafayette, to lineman-4th class, Electric T&D.

Crile, Larry R., Vidor, to lineman-1st class, Electric T&D.

D

Davis, Donny G., Denham Springs, to lineman-3rd class, Electric T&D.

Dodds, David H., Sabine Station, to repairman-1st class, Plant Production.

E

Ernst, Ricky A., Sabine Station, to engineering assistant, Plant Production.

F

Foster, Craig P., Baton Rouge, to lineman-3rd class, Electric T&D.

Frazier, Henry L., Lake Charles, to utility worker II, Electric T&D.

G

Garner, Gary M., Willow Glen Station, to repairman-1st class, Plant Production.

Garner, Scott K., Baton Rouge, to garage mechanic-2nd class, Electric T&D.

Gibson, Lisa G., Louisiana Station, to engineering assistant, Plant Production.

H

Harrington, Ralph E. Jr., Beaumont, to lineman-1st class, Electric T&D.

Hatcher, Robert K., Sabine Station, to supervisor-contract crews, Plant Production.

Hayden, Stephen D., Baton Rouge, to lineman-2nd class, Electric T&D.

Hayes, Gregory, Louisiana Station, to operator's helper, Plant Production.

J

Jack, James C., formerly of Willow Glen Station, to repairman-1st class/nuclear, Plant Production, River Bend Station.

Johnson, Donald R. Jr., Baton Rouge, to senior engineering assistant, Electric T&D.

Jones, Edward A., Port Arthur, to communications serviceman-2nd class, Electric T&D.

Joseph, Alfred, Beaumont, to truckdriver, Electric T&D.

K

King, Richard B., Baton Rouge, to garage mechanic-2nd class, Electric T&D.

L

Landry, Roy J., Baton Rouge, to consumer service representative-senior, Division Marketing and Consumer Services.

LeBlanc, Cynthia B., Nelson Station, to test technician-3rd class, Plant Production.

Lee, Mark B., Denham Springs, to lineman-2nd class, Electric T&D.

Lemelle, Henry A. Jr., Lafayette, to lineman-4th class, Electric T&D.

Lethermon, Michael W., Baton Rouge, to lineman-3rd class, Electric T&D.

M

Matte, Racca S., Nelson Station, to mechanic helper, Plant Production.

Miller, Lafayette Jr., Nelson Station, to repairman-3rd class, Plant Production.

Miller, Willie E., Jennings, to lineman-1st class, Electric T&D.

Mitchell, Daniel R., Woodville, to lineman-1st class, Electric T&D.

Morrison, Debra B., Orange, to consumer information coordinator, Division Marketing and Consumer Services.

Myrick, Donald G., New Caney, to lineman-3rd class, Electric T&D.

N

Newberry, James B., Orange, to apprentice, Electric T&D.

P

Patranella, Teresa M., Beaumont, to staff accountant I, Accounting Services.

Pelichet, Torris J. Jr., Baton Rouge, to substation mechanic-1st class, Electric T&D.

Perroni, Louis, Beaumont, to staff accountant I, Accounting Services.

Pete, Herbert J., Nelson Coal Plant, to test technician-1st class, Plant Production.

Preston, Eileen G., Sabine Station, to staff accountant I, Plant Production.

R

Reeves, William B., Louisiana Station, to mechanic helper, Plant Production.

Reiha, Joseph W., River Bend Station, to nuclear chemistry technician-1st class, Plant Production.

Rigby, William E., River Bend Station, to nuclear chemistry technician-2nd class, Plant Production.

S

Samuels, Michael R., Port Arthur, to lineman-3rd class, Electric T&D.

Schaeffer, Steven A., Neches Station, to test technician-1st class, Plant Production.

Southard, Jay R., Lafayette, to lineman-4th class, Electric T&D.

Spurlock, Bryant C., Beaumont, to lineman-4th class, Electric T&D.

T

Thibodeaux, Michael W., Nelson Coal Plant, to repairman-1st class, Plant Production.

Trahan, Johnny A., Orange, to energy auditor, Division Marketing and Consumer Services.

W

Waldrep, Gerald W. Jr., Sabine Station, to repairman-1st class, Plant Production.

Giving hobbies

the

Yuletide look

by Susan Gilley

Some GSU families go all out for Christmas, adapting year-round hobbies to the season.

Baton Rouge employee Georgianna Touchet's crocheting takes on the look of Yuletide. Silsbee's Jack David spends years grooming pines so they can be gussied up as Christmas trees. The Gary and Laura Guye home near China fills with the spicy scent of baking gingerbread. And Vidor co-workers Karen Durmon and Rhonda Haskins try their hands at a variety of arts and crafts, including macrame and stained glass, to create special Christmas looks.

Touchet, a clerk, started crocheting as a little girl, but dropped it after she married and started a family. A few years ago, Touchet observed another GSU employee crocheting and realized, she recalls, that, "I could make so many gifts."

In the intervening years, Touchet has crocheted baby clothes, afghans, bootees, sweaters, slippers, clothes hanger covers, Christmas tree ornaments, doorknob decorations



Georgianna Touchet crochets year-round.



Touchet created Mr. and Mrs. Snowman for the holidays.



Mike David treats the pines on his father's Christmas tree farm near Silsbee.

and lapel pins, among other items.

Her favorite Christmas creation is a crocheted Mr. and Mrs. Snowman.

David, Northern District accounting supervisor, became a Christmas tree farmer at the urging of his friend, a county extension agent who was interested in establishing such a pilot project for Hardin County.

Now, in his 5th year of tree farming, David has a second crop of mature Christmas trees. The hobby has been rewarding, he

says, because, "For lots of people, it (cutting a Christmas tree) is a family day." David remembers that special feeling from his youth, when families would go into the woods to cut a tree.

David permits customers to tag their trees several weeks before cutting time. The only drawback to his nearly four-acre hobby is the time and expense it demands. However, David has help from his son, Mike, a meter reader in Beaumont.



Laura Guye embellishes a gingerbread man with colored icing.



Katie, Jenny and Amy Guye (from left to right) relish an opportunity to help their creative mom.

Guye, director-internal audits in Beaumont, reports that his house is filled with the smell of baked goods around Christmas. Actually, his wife, Laura, bakes wedding cakes and other goodies year-round, but the emphasis at Christmas is on spicy gingerbread men and gingerbread houses.

The Guyes, who have three young daughters, also concoct baked bread dough ornaments. Jenny, 2, Katie, 4½, and Amy, 9, bake cakes in their toy micro-

wave oven and help their mom add the finishing touches to leftover cakes and cookies. Amy also fashions her own bread dough ornaments and makes giant-sized beads for stringing.

Although she sometimes uses cookie cutters for her bread dough ornaments, Mrs. Guye makes some creations free-hand. She has learned to mix acrylic paint in with the dough before baking for more vivid colors than can be obtained by painting the completed ornament. A favorite

ornament is a rocking horse, which starts out all white. She “builds up” the animal with different colors before applying the final touch — the mane and tail — by putting dough in a garlic press. The creation is then carefully placed in the oven for slow baking before a final coating.

Once the technique is learned, advises Mrs. Guye, any would-be bread dough ornament maker just needs to “use imagination.”

Continued on page 14.

New Year brings another saving alternative



by Betty Gavora

How would you like to end up with more money to take home out of your paycheck?

As strange as it may sound, this is exactly what you, as a Thrift Plan participant, can do by taking advantage of tax-deferred contributions to GSU's new 401(k) Thrift Plan Account. (Section 401(k) is a new part of the Internal Revenue Code. It allows companies like GSU to set up accounts which can accept employees' pre-tax contributions.)

This account allows you to lower the amount of your taxable income by putting from 2 percent to 6 percent of your base pay into a 401(k) account instead of the Basic Thrift Plan. By lowering your taxable income you end up with more take-home pay because you have less money withheld from your check for federal income taxes.

Sound interesting? More facts about 401(k) participation will follow, but, first, let's review the plan's current provisions and the coming changes to the plan which could be beneficial to you.

At GSU the Thrift Plan for eligible employees is divided into Basic Thrift and Additional Thrift. To be eligible to participate, you must have completed

one year of service — 12 consecutive months of employment during which you worked at least 1,000 hours.

Currently under Basic Thrift, you can have 2 percent, 4 percent or 6 percent of your base pay deducted from your paycheck and put into a Basic Thrift Plan Account in your name. The company matches your contributions, 50 cents to the dollar. You can withdraw your contributions to Basic Thrift, although your participation will be subject to certain penalties if your withdrawals are excessive or too frequent. Your withdrawals are not taxed since your contributions to Basic Thrift are made with after-tax dollars. You cannot withdraw the company's contributions unless you quit or retire. Should you die, your beneficiary will receive the balance of your Basic Thrift account.

The money you contribute to Basic Thrift can be invested in three ways:

- GSU common stock.
- A cash savings account invested in certificates of deposit, or similar investment.
- A fixed income account managed by The Equitable, a large life insurance company.

You decide whether you wish

to invest in one, two or all three of these options, in 10 percent increments up to the full 100 percent. Dividends and interest earned by your investments are credited to your Basic Thrift Account and invested in accordance with your current investment directive on file with the Plan Administrator.

Presently, you can contribute in 2 percent increments up to 6 percent of your pay, over and above your Basic Thrift contribution, to Additional Thrift. These contributions are not matched by the company, but withdrawal rules are much more liberal. The investment options in Additional Thrift are the same as Basic Thrift.

Beginning Jan. 1, 1984, some important changes are coming to the plan. The first change is to Additional Thrift. The maximum amount you can contribute will be increased from 6 percent to 10 percent of base pay. Also, you previously could contribute only in 2 percent increments. Now, after you contribute at least 2 percent, you can contribute to Additional Thrift in increments of 1 percent, up to the 10 percent maximum.

The next change is to Basic Thrift. Beginning Jan. 1, after you contribute the minimum of 2

With 401(k)

percent, you can contribute in increments of 1 percent up to the maximum of 6 percent.

The final and most significant change coming Jan. 1 has to do with tax-deferred contributions to a 401(k) account, which can enable you to take home more money out of your paycheck, if you use 401(k) as an alternative to Basic Thrift.

Here's how 401(k) works. To participate, you sign up to have 2, 3, 4, 5 or 6 percent of your base pay put into 401(k) each month. The company puts this money directly into 401(k) for you and matches your contribution 50 cents to the dollar. Your investment options are the same as those for Basic and Additional Thrift. For income tax purposes, your compensation is reduced by the amount of your contribution. This means your taxable income will be lower. Therefore, you will have less money withheld for federal income taxes, and the end result is more money for you to take home.

The chart shown takes a typical example and demonstrates how this will work. As you can see, a married employee earning \$29,000 per year, who has three dependents, and who switches from Basic Thrift to 401(k), will realize an additional \$416 in take-home pay for the year. Of course, your actual tax savings will depend on your own personal circumstances, such as income, marital status and number of dependents.

As is usually the case when a new benefit is provided by government legislation, there are some government-imposed restrictions. Under 401(k) employee deposits can be withdrawn only for special hardship cases which must be approved by the Thrift Plan Committee.

These hardship withdrawals are subject to income tax as ordinary income at the time they are withdrawn. Another restriction could limit the amount of 401(k) contributions made by the highest paid one-third of all participants.

Your combined deposits to Basic Thrift and 401(k) cannot exceed 6 percent of your base pay unless you are making make-up contributions allowed under Basic Thrift (there are no make-up provisions for the 401(k) Account).

Participation in 401(k) is generally on a January-December plan year basis. Participants whose applications for 401(k) participation are received on or before Dec. 31, 1983, will begin making 401(k) deposits in January 1984. Applications for initial participation received after Dec. 31 will be made effective the month following receipt. Once effective, 401(k)

participation will continue through Dec. 31 of the plan year in which the participant submits an application to the Plan Administrator to cease making 401(k) deposits.

Throughout the remainder of 1983, the Human Resources Department will hold informational meetings with employees during which 401(k) participation forms will be made available. A good source of additional information about the Thrift Plan and the new 401(k) account is the plan's prospectus which was mailed to all plan participants in November.

If you wish to participate in 401(k) beginning Jan. 1, 1984, it is essential that the Thrift Plan Administrator receive your completed form **on or before Dec. 31, 1983**. If you are participating in the Thrift Plan now and do not send in a form requesting 401(k) participation, your participation will continue as it is.

Comparative example for an employee earning \$29,000 per year

(Married, with three dependents)

| | 6 percent to Basic Thrift | 6 percent to 401(k) Account |
|-----------------------------|------------------------------|--------------------------------|
| Base Pay | \$29,000 | \$27,272* |
| Withholding Taxes | (4,065) | (3,649) |
| Basic Thrift Deduction | (1,728) | (-0-) |
| FICA (Social Security) | (1,943) | (1,943) |
| EMPLOYEE'S TAKE HOME PAY | \$21,264 | \$21,680** |

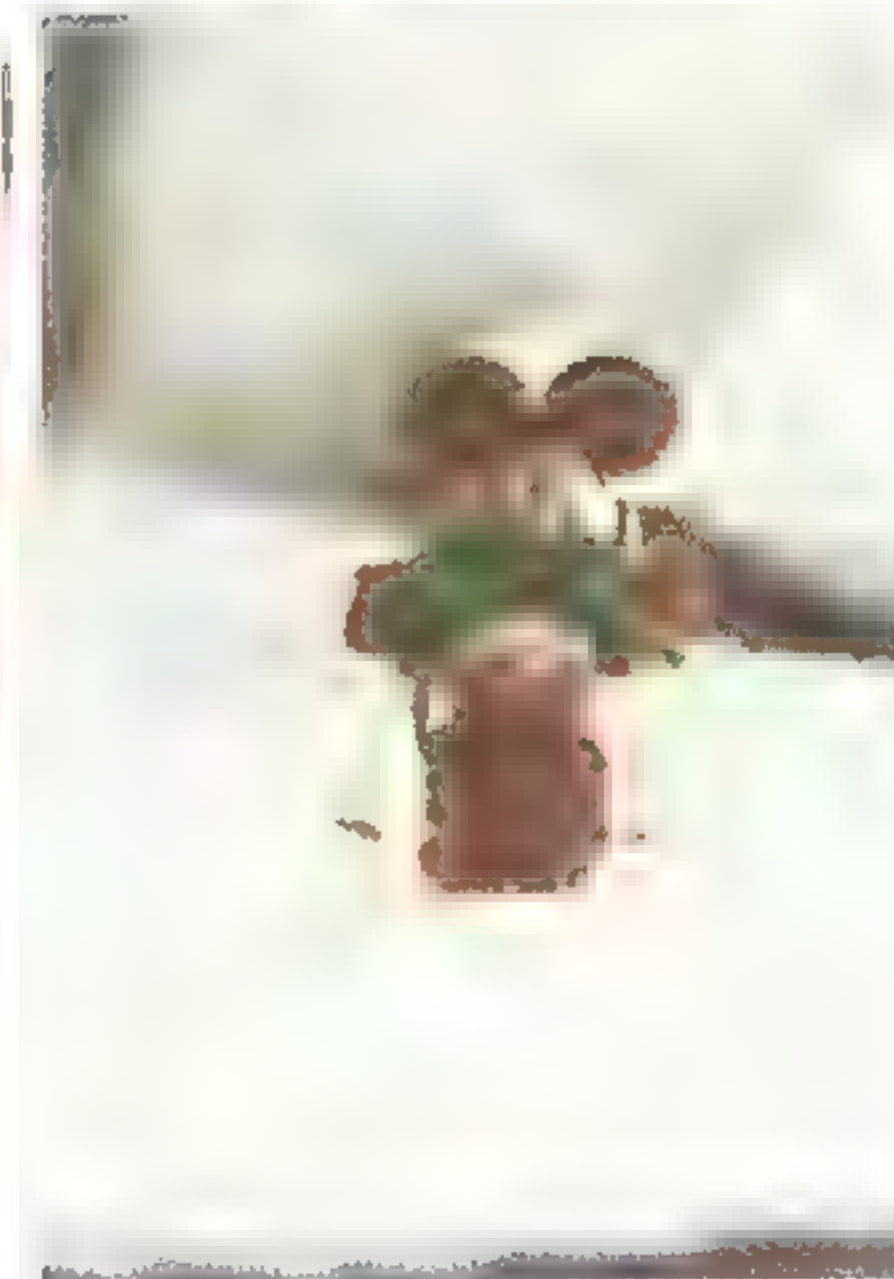
*Base pay of \$29,000 reduced by employee's \$1,728 contribution to 401(k).

**Employee realizes an additional \$416 take-home pay through 401(k) participation.



A.

Giving hobbies the Yuletide look



- A. An array of Christmas creations.
- B. Rhonda Haskins, Karen Durmon work on stained glass.
- C. This skier is fashioned from pipecleaners.

In Vidor, Haskins and Durmon spend their lunch hours working on seasonal projects that are eventually used to decorate their office and their homes. The two women graduated from Vidor High School in 1973, and their friendship has thrived in their workplace. Recently, they were joined by two other Vidor office workers in an after-hours stained glass class.

Durmon, a customer contact clerk, reveals that the two "like decorating for the holidays." She describes Haskins, a senior clerk, as better at pen and ink, but says both have experimented with candlewicking (a type of embroidery), macrame and pipecleaner ornaments adorned with beads.

All five GSUsers enjoy sharing their Christmastime crafts with

their co-workers. Touchet's gifts and ornaments are distributed among her friends at work and one of David's trees decorates the Silsbee office. Guye's fellow employees look forward to the baked goods he shares and Durmon and Haskins take joy in creating ornaments for their office.



A.



B.

A time for giving

by Susan Gilley

Earlier this fall, Baton Rouge Division employees re-enacted their Santa Claus role as they participated in a second gift drive for needy children and adults.

A year ago, in a similar campaign, division employees raised \$1,746. This year, the committee hopes to clear at least \$1,500 after paying for one of the two items to be raffled. Raffle tickets for a 19-inch color television and a shotgun went on sale Nov. 1 for \$1 apiece. A Baton Rouge appliance store donated the television, but the shotgun will be paid for with proceeds from this year's raffle ticket sales.

Chairing this year's drive is Paula Smith, a stenographer at the Government Street office. Other members of the Christmas fund are Debbie Green, co-chairman, turbine-water plant operator at Louisiana Station; Doris Bodden, secretary-treasurer, stenographer-senior at Essen Lane; Ralph Batiste, clerk at Essen Lane; Mike Vavasseur, storeroom assistant at Willow Glen Station; Charles "Chugger" Loewenthal, engineering assistant at Choctaw Service Center; and Dianne Brandon, consumer affairs coordinator at North Boulevard.



Being considered as recipients for the funds are a private home for wayward teen-aged youths, a home for battered wives and their children and a home for unwanted and abused children.

A. Wrapping gifts is just part of the fun for Paula Smith, Charles "Chugger" Loewenthal and Doris Bodden (from left).

B. Loewenthal asks a Wilson's Catalog Showroom salesman about a child size motor scooter.

C. Bodden, Smith and Loewenthal (from left) stocked up with dolls, games and puzzles.

Families attend safety fair



The sights are old hat to Joe Moore and his wife, Brenda, but Andy (at front, left) and Chris (at front, right) are fascinated by the goings-on at the safety fair.

The Joe and Brenda Moore family was among many GSU families attending the Port Arthur Division Safety Fair, held Aug. 6 at the Brad Club.

According to *Plain Talks* correspondent Barbara Broussard, food and games make the annual event fun for adults and children alike.

For instance, the two young sons of the Moores were intrigued by the boom on a Line Department truck. The youngsters are Chris, 5, and Andy, 3. Their father works in Port Arthur's Relay Department.



Fake cake fools McDuffie

Mark McDuffie's 27th birthday cake was so luscious-looking that the cook received compliments from other passengers on Edison Plaza's elevators as she brought it to work.

Jean Spitznagle had concocted the chocolate-looking confection in honor of McDuffie's Sept. 14 birthday. After McDuffie sliced through the styrofoam fake cake, however, his co-workers substituted a real chocolate cake for the occasion.

McDuffie is a compensation analyst in Human Resources.



Soileaus add second son

A second son joined the Mike and Mary Soileau family on April 23, with the birth of Michael Ryan.

According to the father, who is a laboratory assistant at Nelson Coal, the youngster weighed 8 pounds, 1 ounce.

Michael's big brother, B.J., is 3 years old.

Woodlands GSUer marries in June

Warren "Danny" Singleton and Jaqutta Ann Perry were married June 3.

The groom is an apprentice lineman based in The Woodlands,

while his father, Albert Singleton, is a party chief in the Western Division.



Newlyweds Danny and Jaqutta Singleton stand with the officiating minister.

Koci's transfer prompts party

Before Gene Koci left his job as Orange District accounting superintendent for a new post in Baton Rouge June 1, his former co-workers threw a farewell party for him.

According to Kitty Ann Prouse, *Plain Talks* correspondent, decorations included balloons and special wallpaper featuring a shirtless male. The model, his co-workers claimed, would be a suitable replacement for Koci.





Ashlie Elizabeth makes appearance

Ashlie Elizabeth weighed 9 pounds, 7 ounces and measured 21 inches long when she was born to the Sonny and Paula Mitchell family July 6.

The infant is now at home with her parents, and her mom is back at work as a legal stenographer in Legal Services, Beaumont.



Fruge becomes post commander

Emery J. Fruge, inspector of contract crews for the Lake Charles Line Department, was installed as commander of American Legion Post No. 1 on July 9. Fruge also continues to serve as home manager for the post, a position he has held for the past three years.

Cara Renee makes five

The John and Sue Browning family grew to five members July 6 with the birth of their third child, Cara Renee.

Browning, a consumer services representative in Port Arthur, reports that his new daughter weighed 7 pounds, 11 ounces and measured 19¾ inches at birth.

She is now at home with her parents and siblings, 6-year-old Courtney and 20-month-old John Curtis.



Department holds golf tournament

Rich Archer, GSU President Norman Lee, Randy Harless and Lloyd Whittington won first place in a golf tournament at Wildwood Country Club Oct. 1. Their score was 61, 11 under par.

According to Bobby Beattie, the tournament was hosted by the finance and accounting departments and will become a yearly event.

Others placing in the competition at Wildwood Country Club, located near Kountze, were:

— 2nd place: John Craus, Clyde McBride, Butch Franklin and Tom Jenkins at 63, nine under par (the 2nd and 3rd place winners played a tie-breaker at the 1st hole).

— 3rd place: Mike Gill, Gary Diamond, Brian Hamborg and Ed Matejick at 63, nine under par.

— 21st place: George McCollough, Ronnie Carlin, Kenneth Simmons and Buddy Landry at 72 even.

— Closest to the hole: Brad Barksdale and John Backer.

— Long drivers: Lucy Harland and Gary LeBlanc.

Beattie credits Sheila Johnson, Denise Bruton, Mary Jane Fournier, Sharon Raven and Kathy West with handling the day's arrangements.

Couple weds in Conroe

Lisa Hopkins and David L. Till were married June 25 in First Assembly of God Church in Conroe.

The new Mrs. Till, a stenographer in Western Division Accounting, is the daughter of Mr. and Mrs. S. M. Hopkins of New Waverly, Texas. Performing the marriage ceremony was the Rev. Jacob E. Till of Quincy, Fla., the father of the groom.

Attendants included Mendy Davis of Durham, N.C., maid of honor, and Reggie Till of Royston, Ga., best man.

The couple honeymooned in Galveston.



Risk Management protects company assets, earnings

The year 1983 was eventful in the history of Gulf States Utilities. In March, a crane toppled at the construction site of the River Bend Nuclear Station. Two months later, in May, tornadoes whipped through much of the Texas service area and left a trail of tangled poles, towers and wires. A boiler exploded in July and August brought the destruction wrought by Hurricane Alicia. In each case, GSU's Risk Management personnel were involved in recovering repair expense under the company's insurance program.

One of the major responsibilities of Risk Management Services is to protect GSU's assets and earnings through an all-risk property and liability insurance program. A company such as Gulf States, with a huge investment in equipment and personnel, spends millions of dollars each year on insurance premiums. The premiums the company pays are determined by its own accident record. "Because of size, buying GSU's insurance isn't like buying a standard homeowners policy," notes Olice Steward, manager of

Risk Management Services, "we stand on our own loss experience or record."

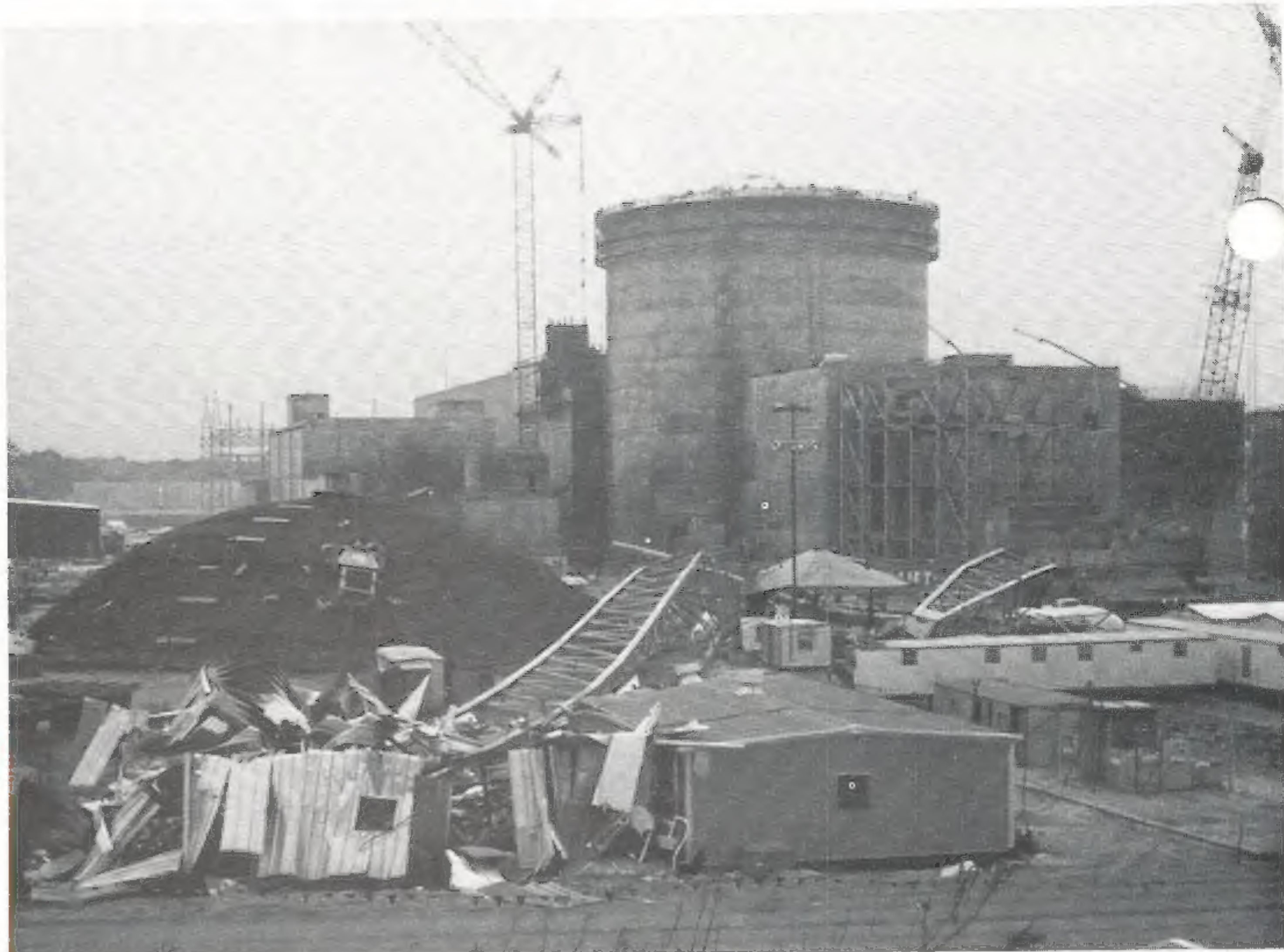
Deductibles on insurance policies are a direct expense to GSU. Should a turbine be damaged, for instance, the deductible can vary from a minimum of \$250,000 to several hundred thousand dollars. Storms such as Hurricane Alicia and the tornadoes in May each cost GSU \$1 million in deductibles. Accidents and storms also create other expenses such as construction delays and revenue losses. "Because of the financial impact that could be caused by a number of large losses within a short period of time, the company has an insurance program designed to spread expense over several years, thus protecting earnings-per-share and the rates to our customers," says Steward.

The property conservation function of Risk Management Services, handled by Don McCarter, director of loss prevention, and David Linville, loss prevention engineer, extends to the inspection of all operating facilities for potential property losses. Additionally, it reviews plans and specifications for new

construction to ensure that adequate fire walls, sprinkler systems, smoke detectors and other loss prevention features are incorporated into original design. Existing facilities are checked periodically to reduce risk of loss. Steward says the intensified maintenance program undertaken by the Production Department in the last few years will result in reduction of power plant equipment losses.

According to Ben Reiser, director of risk management, Gulf States saved its customers a sizeable sum of money on insurance at River Bend. Stone and Webster Engineering, the contractor, could have paid for the insurance coverage on all of its employees and charged premiums back to GSU. But Gulf States provided the coverage under its owner-controlled insurance program, supervised by Scott Newell, senior risk analyst, which saved \$14.6 million through March of this year.

The services of the department are extended to GSU's subsidiary companies such as Prudential Drilling, which are the responsibility of Marty Jones, risk analyst.



This was the scene in March following the toppling of a crane at River Bend.

SERVICE AWARDS

**30
years**



Mell T. Alford
Electric T&D
Beaumont



Betty G. Fontana
Financial Servs.
Beaumont

**20
years**



Jerry F. Ball
Gas Department
Baton Rouge

**10
years**



Francis L. Faulk
Electric T&D
Lafayette



Carl D. Gibbins Jr.
Plant Production
Neches Station



Myrna L. Hargrove
Div. Accounting
Port Allen



Lonnie J. Kettl
Plant Production
River Bend Station



Georgia D. Rice
T&D Department
Baton Rouge



Herman E. Snoe
T&D Department
Conroe



Elisha A. Wattly
Plant Production
Nelson Station



Henry C. Welch Jr.
Plant Production
Nelson Station

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Beaumont, Texas 77704

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The Energy People

The sights and sounds of a Christmas party at Gulf States will be featured on the third edition of *The Energy People*, scheduled for release shortly before the holiday.

Children and Santa Claus will be the Very Important People on this segment, reports Mike Rodgers of Employee Communications.

Other features will focus on the long journey of Wyoming coal from the mine site to the Nelson Coal Plant, an update on Project CARE and the company's new marketing program.

In its first year of production, *The Energy People* is already an award-winner. This fall, the video report won an honorable mention in the film or video presentations category of the Houston district of the International Association of Business Communicators (IABC).

